IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF ILLINOIS

EASTERN DIVISION

BALLY MANUFACTURING CORPORATION,

DOCKLIED

Plaintiff,

CCT 1 6 1980

-vs-

Case No. 78-C-2246

D. GOTTLIEB & CO., WILLIAMS ELECTRONICS, INC., and ROCKWELL INTERNATIONAL,

FILED

Defendants.

OCT = 9 1980

DEPOSITION of DANIEL N. WINTER, a witness in

the above-entitled action, taken at the instance of the Defendants, under the provisions of the Federal Rules of Civil Procedure, pursuant to Notice and Agreement, before KATHLEEN M. HACKBARTH, a Notary Public in and for the State of Wisconsin, at 825 North Jefferson Street, in the City and County of Milwaukee, State of Wisconsin, on the 17th day of June, 1980, commencing at 9:30 o'clock in the forenoon.

APPEARANCES

FITCH, EVEN & TABIN, by DONALD L. WELSH, Esq., A. SIDNEY KATZ, Esq., and JEROLD B. SCHNAYER, Esq., 135 South LaSalle Street, Chicago, Illinois 60603, appeared on behalf of the Plaintiff, Bally Manufacturing Corporation, and the witness, Daniel N. Winter.

ARNOLD, WHITE & DURKEE, by JOHN F. LYNCH, Esq., 2100 Transco Tower, Houston, Texas 77056, appeared on behalf of the Defendants, D. Gottlieb & Co. and Rockwell International. MC DOUGALL, HERSH & SCOTT, by MELVIN M. GOLDENBERG, Esq., 135 South LaSalle Street, Chicago, Illinois 60603, appeared on behalf of the Defendant, Williams Electronics, Inc. i. I as the willow 9 18 CULTA the same training this asset? 10 they're are are all a say and to taking the 11 12 2 de la restame of them. 13 . It have been been which ones are 14 there is a all subject to tro 15 16 LO For this I was a man whicher they're Bally. 17 18 there is not that rolly can consider ... 19 o profite the orestion faith on the best of a predecession 20 21 P. BY A. But and relative to community of 22 23 24 25

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(An off-the-record discussion was held.) MR. LYNCH: This I want on the record. say these documents are marked confidential. I want to

know if they're Bally confidential.

MR. KATZ: They're MCI confidential.

MCI doesn't exist. I can't read MR. LYNCH:

MR. WELSH: Confidential insofar as the witness E'1090.

You

is concerned. That's --

MR. LYNCH: So Bally is not making this assertion they're confidential; only the witness is making the assertion? Theck from Polito I Com't know who. Why are

MR. KATZ: With respect to some of them.

MR. LYNCH: You better tell me which ones are Bally confidential. I will take them all subject to the protective order, subject to the -- I can only go to the court for relief. I want to know whether they're Bally confidential: " A A Care . I' I a now you the originals.

MR. KATZ: I think that Bally can consider -- can make a claim of confidentiality on behalf of a predecessor of an acquired company.

MR. LYNCH: Bally acquired what company? MCI?

This was Dave Nutting Associates. MR. KATZ: and this was a predecessor.

MR. GOLDENBERG: I don't see how that can be

through 3356. 1 MR. LYNCH: What are they? 2 MR. SCHNAYER: Well, you can --MR. LYNCH: Can you characterize them on the 3 4 record? 5 MR. SCHNAYER: Checks, copies of checks. 6 MR. LYNCH: This is marvelous. I can't read 7 them. 8 MR. GOLDENBERG: That's why you got copies of 9 them. 10 MR. LYNCH: Why are they being produced? 11 look like checks from MCI to I don't know who. Why are 12 these Bally documents --13 MR. SCHNAYER: Well, they're documents that 14 Bally has obtained. 15 MR. LYNCH: A, I can't read them. B --16 MR. WELSH: Show him the originals. 17 MR. SCHNAYER: I'll show you the originals. 18 MR. GOLDENBERG: What do you mean, they're 19 documents that Bally has obtained? 20 MR. SCHNAYER: Well, exactly what I said. 21 MR. GOLDENBERG: Where did Bally obtain them 22 23 MR. SCHNAYER: I don't think we have to tell you 24 that. They were obtained and they're being produced. 25

MR. GOLDENBERG: You don't think you have to tell us that. What are they being produced for? 1 MR. SCHNAYER: As part of the document request. 2 MR. GOLDENBERG: They were obtained from Mr. 3 4 Nutting? ... the protective order, does that mean you're MR. SCHNAYER: I don't think we have to make a 5 6 statement about that so I won't. 7 MR. LYNCH: Well, I think you do because there 8 is another source of documents relating to MCI that 9 provides the source to us that might lead to relevant 10 evidence. It certainly is relevant where this other 11 source of documents is. 12 MR. SCHNAYER: Those copies are yours to -- to 13 keep. to the fact I will go to the Court if I feel the 14 should be. MR. LYNCH: These? found anything in here. 15 MR. SCHNAYER: No, the copies I gave you. 16 If you want to try to make better copies, you're more 17 than welcome to. 18 MR. GOLDENBERG: Do we have any other documents 19 that Bally has obtained bearing on MCI that you're not 20 giving us? DANIEL N. WINIER, called for evanious into he. 21 having been first. SCHNAYER: Those are documents that we ob-22 tained, and I'm giving them to you. 23 MR. GOLDENBERG: Do you have any others that 24 you're not giving us? 25

Daniel N. MR. SCHNAYER: Not that I know of. MR. GOLDENBERG: Who would know? MR. KATZ: One thing that concerns me, John, 3 when you said that you rejected our position at hand with 4 respect to the protective order, does that mean you're 5 not accepting the documents under the conditions of the 6 protective order entered into in this case? MR. GOLDENBERG: The ones we're looking at now? And what 8 MR. LYNCH: No. No, I reject your position out of hand that the protective order isn't sufficient. 10 I will agree to accept these under the protective order. 11 I reject the position they're Bally confidential. I will 12 respect this witness' desire that they not be published 13 subject to the fact I will go to the Court if I feel they should be. So far I haven't found anything in here. 15 is an agreement I'm entering into. I don't know if they're 16 subject to the protective order or not. I will treat them 17 as such helerstand what's going on? 18 MR. KATZ: Thank you. (An off-the-record discussion was held.) 20 on all DANIEL N. WINTER, called for examination herein 21 22 having been first duly sworn, testified as follows: tion, relevant EXAMINATION 23 24 BY MR. LYNCH: duse in order to being facts before a con-25 Please state your name. Q

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Daniel N. Winter.
  A
1
       Where do you live, Mr. Winter?
2
  Q
       Pardon?
  Α
3
       Where do you live?
4
  Q
        5410 Elmhurst, Mequon, Wisconsin.
5
       Now, by whom are you employed at the present time?
6
   Q
        Kurz and Root.
        And what -- what business is that company in?
8
   Q
        Kurz and Root builds motor generators, electronic control
        systems, and other associated electrical components.
10
        And what is the nature of your duties and responsibilities
   Q
11
        for that company?
12
        I am vice president. Basic responsibility is that of
    Α
 13
         general manager.
 14
         Now, Mr. Winter, have you ever had your deposition taken
 15
    Q
         before?
 16
         No, I have not.
 17
         Do you understand what's going on?
 18
    Q
         Yes, I do.
 19
     Α
         All right. Let me explain it to you a little bit.
 20
     Q
                                                           There
          is an altercation going on concerning some matters with
 21
          which you potentially had an association or some informa-
  22
          tion, relevant information, and this deposition is being
  23
          taken because in order to bring facts before a court.
  24
          witness testimony under oath is needed. I would like
  25
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you to understand that that witness testimony is supposed to be of things of which you have first-hand knowledge, things you saw, things you observed, things -- not things you heard as rumor which even you might accept as business rumor, you know, the way you conduct your ordinary business. You can tell me about those rumors if you like. If you can keep in mind you're talking about something you didn't observe directly, if you would state it for the record, that will save us some time and difficulty. Otherwise, you're put under oath because the testimony that you are giving will or possibly can be used in court, and although there is no judge here, your testimony here is the same as if it were given before the judge in Chicago. Now, if you have any questions. you don't understand my questions, please indicate you don't understand them, and I'll rephrase them. It is my object to try to get information and not to in any way confuse you or confuse any issues. deposition Now, I understand, Mr. Winter, you are represented by counsel here; is that correct? That's correct. Α Q

Q Now, are the counsel Mr. Welsch and Mr. Katz and Mr. Schnayer?

A Yes, they are.

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Now, do you know what the role of these gentlemen h_{as}

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been in the litigation in which this deposition is being
1
       taken?
2
        I don't quite understand your question.
3
  Α
       Well, you know there is litigation involving Bally
4
  Q
        Manufacturing Company?
5
        Yes, I do.
6
   Α
        Do you know that these gentlemen represent Bally?
   0
        Yes, I do.
8
   Α
        Now, you then understand that these gentlemen have an
 9
   Q
         interest to protect in the litigation?
10
11
         Yes, I do.
    Α
         Do you have the same interest to protect?
12
    Q
 13
         No. I don't.
    Α
         Okay. I want to ask you about your conversations with
 14
    Q
         these gentlemen in connection with the testimony you're
 15
          going to give. Have you had any conversations with them
 16
          about the testimony that you would give at this deposition?
 17
          I have had conversations with them as to the nature of the
 18
     Α
          deposition and that I should be totally honest and forth-
 19
 20
          right.
          Um-hmm. Now, did you have any conversations with them
  21
     Q
  22
          about occurrences at the time period that you were
          associated with Mr. Nutting, Mr. Frederiksen in MCI?
  23
  24
           Yes, I did.
           Did you relate to them any facts that occurred back then?
  25
      Q
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Well, in general, tell me when you had these conversations Α 1 with them and -- relating to facts of your association Q 2 3 with MCI. 4 I do not recall the exact date of my first phone call. A 5 I understand. Q 6 But I did have a conversation with Jerold Schnayer and 7 Donald Welsh in Milwaukee approximately one month ago, 8 where we talked for two hours about the experience I 9 10 contacted MR. WELSH: I want to caution the witness that 11 it is not appropriate to discuss communication -- the 12 subject matter of the communications which we have had 13 which as -- as your counsel, representing you, those 14 communications are privileged communications which you 15 as the person represented have the right to claim, so 16 while Mr. Lynch is entitled to inquire about when meetings 17 took place and who was present, he is not entitled to 18 inquire about the conversations. 19 MR. LYNCH: And an area of the lateral decided I deal 20 Well, understand this, Mr. Winter. You can tell me 21 Q anything you want. What I want to know is why, for what 22 reason, you might desire to talk to Mr. Welsh and/or 23 Mr. Schnayer about facts that occurred and not to me. 24 We're talking about the occurrences back in the time period 25

of 1973, 1974, perhaps 1975, when you were connected with MCI. I can assure you that there is no desire on the part of any person in this litigation to involve MCI or yourself in any way that could possibly be adverse to you. I don't think your lawyers could advise you possibly we could have that intent. However, you must understand that Mr. Welsh has an ax to grind in this litigation, and consequently I'd like us to be forthright and for us to discuss everything that was discussed because it is true, isn't it, Mr. Winter, that you were contacted by a lawyer for Williams who I believe is Mr. Rifkin (phonetically), and you wouldn't talk to him; is that correct? se I don't have -- I'm going to have it That's correct. can road it including Mr. Welsh. Now, insofar as I can see, Mr. Winter, is there any reason Q why you won't talk to him and won't discuss with me the same things you discussed with Mr. Welsh? Mr. Rifkin called me in Appleton at a very inopportune Α time, and I just could not meet with him. He called me subsequently to that and at that point I decided I did not want to meet with him. a record that the Court will

Q Um-hmm. That's what I want to know. Why?

A I can't give you a real reason. Flat to ask ham questions

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Q Have you been advised by Mr. Welsh that somehow we might involve you personally?

No, I have not. Well, I want you to understand, Mr. Winter, that various Α Q facts about which you will be testifying are facts that perhaps might have some real import, perhaps might not, but I believe for you to try to shield any conversations you had with the attorneys from the other side in this 6 connection just doesn't seem to make any sense. You're 7 not under any threat or any potential difficulty in this 8 So I'd like to ask you if you'd tell me what the nature of your conversations with Mr. Welsh and Mr. Katz 10 Now, understand Mr. Welsh has an ax to grind and 11 he's advising you not to tell me. I want you to tell me 12 anyway, because I don't have -- I'm going to have it 13 out so everybody can read it including Mr. Welsh. 14 Your question is too general for me to answer. 15 The Judge MR. WELSH: I object to the question also as 16 calling for privileged communications, and also, I might 17 note for the record that Mr. Lynch also has an ax to grind. 18 from aski MR. LYNCH: Of course I do. 19 I admit that, Mr. Winter, but I'm not keeping any secrets. 20 Q It's all going down here on a record that the Court will 21 see, and that's the point I want to make. 22 what fact MR. WELSH: You're entitled to ask him questions 23 about his recollection of what went on at MCI back at 24 25 the -- relieved communication and instruct the pre-

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MR. LYNCH: Well --MR. WELSH: -- time period you referred to, but you're not entitled to inquire as to his conversations with me. as as to mything MR. GOLDENBERG: You're absolutely wrong, Mr. 5 Welsh. Judge Grady has expressly said that any conversa-6 tions with attorney -- with an attorney with respect to 7 the witnesses' respective testimony can be inquired into. 8 appreciateMR. WELSH: That - ere as well as I can. 9 Let be expMR. GOLDENBERG: Any suggestions or proposals 10 made, any kind of conversation going to that kind of thing 11 is appropriate for discovery. The advice of a lawyer 12 under the MR. WELSH: That is not true. needs one, we 13 he's in trMR. GOLDENBERG: That is true. trouble, we 14 the cops MR. WELSH: It's not what the Judge ordered. 15 The Judge said that it was proper to ask the witness 16 questions as to whether he had been told how to answer 17 any questions that might be put to him. That is different 18 19 from asking for relation of the conversations. 20 what he wa MR. LYNCH: we and whatever has gone on in the 21 Q Okay. Let me ask you this, Mr. Winter. I want you to 22 tell me what Mr. Welsh told you about this lawsuit and what facts have been developed in it thus far. 23 vertarions MR. WELSH: I object to the question as calling 24 for privileged communication and instruct the witness he 25

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need not answer.

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Q

MR. LYNCH: Now --

MR. GOLDENBERG: Mr. Welsh, you can't instruct the witness as to anything.

Wait, wait a minute. MR. LYNCH: Mr. Winter, you see what we're getting into here. I've -- really, Mr. Winter, I've absolutely no desire at all to in any way inconvenience you, but you can appreciate what is happening here as well as I can. Let me explain something to you, Mr. Winter. The whole idea of an attorney-client communication being privileged is so that a client can seek the advice of a lawyer under the proper circumstances, when he needs one, when he's in trouble, when his business is in trouble, when the cops are after him. This is not the situation we're in. Mr. Winter. Now, furthermore, what Mr. Welsh told you about the litigation is not privileged. The only thing that's privileged is what you tell him. What he tells you about the litigation and the background and what he wants to prove and whatever has gone on in this litigation is not privileged information. So I'd like to ask you once again, Mr. Winter, to relate for me what Mr. Welsh told you concerning this litigation in your conversations with him prior to this deposition.

MR. WELSH: I object to the question as calling

for privileged communications. I disagree with Mr. Lynch as to what constitute privileged communications and I 1 advise the -- the witness the question need not be 2 answered, you can refuse to answer to protect your privi-3 lege. 5 Do you ha MR. LYNCH: 6 You can, but I'm going to be back; there is going to be Q 7 another time. You've got to understand my position. Do 8 you understand my position, that I'm not trying to in-9 convenience you, and I'm not trying to get you in any 10 potential difficulty personally, or MCI? 11 I understand both positions. I prefer that you ask me 12 Α direct, specific questions. Toward and that you wan't 13 Well, I am. The first thing I want to know is precisely Q 14 what Mr. Welsh told you about this litigation, as a 15 direct specific question. 16 Well, you MR. WELSH: Continuing objection as calling for 17 privileged communications. Advise the witness he not 18 answer. 19 You did he MR. LYNCH: cons with thee that involved occur 20 Do you refuse to answer, Mr. Winter? 21 Q In view of the discussions at this table, yes, I do 22 A because it seems too unclear in mind mind as to who's 23 24 correct. Well, is it fair to say, Mr. Winter, that your position 25 Q

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in this litigation is one where you are accepting the
1
       advice of Bally's lawyers; isn't that correct?
2
        During this deposition, yes.
   Α
        Now, for what reason are you doing that?
3
   Q
4
        As my choice.
   Α
5
        Do you have --
   Q
6
                  MR. WELSH: Object to the question as calling
7
        for conclusions, not facts within this witness' knowledge.
 8
         MR. LYNCH:
         I want to establish one thing for you, Mr. Winter.
                                                              That
10
    Q
         your testimony has to be evaluated also as to its credi-
11
         bility, and I want to thoroughly establish that you're
 12
         taking advice from Bally's lawyers and that you won't
 13
         answer my questions that you're willing to answer for
 14
         them and that is the case, isn't it, Mr. Winter?
 15
          I don't think that's a correct summation.
 16
         Well, you did speak to them earlier before this deposition;
  17
     Q
                    during the a peak time I werked in factor-in-
          correct?
  18
          Correct. To be had been a lamber of a milkeline.
     Α
  19
          You did have discussions with them that involved occurrences
     0
  20
  21
          in this lawsuit; correct?
          Yes. Fire d d west do thet?
  22
      A
          And you won't tell me what those were; isn't that right?
  23
      Q
  24
           Yes.
           And you refused to have a discussion with Mr. Rifkin wh_{O}
   25
      Q
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represents one of the defendants, prior to that deposition;
1
       isn't that correct?
2
        That is correct.
        Now, tell me, Mr. Winter, what you -- did you go -- tell
  Α
3
   Q
4
        me when you finished your formal education and what
5
        the nature of that was.
6
        My formal education was at the University of Colorado
   Α
7
        with a bachelor's degree in engineering.
 8
        What type of engineering?
    Q
         Mechanical.
10
         When did you get that degree, Mr. Winter?
    Q
11
         1969.
    A
 12
         Now, prior to that time, had you had any work experience?
    Q
 13
         Prior to college?
    Α
 14
          Yah. Prior to going to college.
     Q
 15
          Yes, I did.
 16
          What was the nature of that work?
 17
          I worked -- during the summertime I worked in factories
     Α
  18
          and I also worked for a landscape gardener.
  19
          And you graduated from college in 1969?
      Q
  20
           University of Colorado.
  21
      Α
           And what did you do then?
  22
      Q
           Went to work for Martin Marietta (phonetically).
  23
           Where?
  24
      Q
            In Denver, Colorado.
   25
       A
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And what was the nature of your duties and responsibilities
       Q
                     for Martin Marietta?
2
                     I was in production and production purchasing.
3
        A
                     What type of apparatus was produced by Martin Marietta?
        Q
 4
                      It was during the missile scare and we were building
         Α
                      missiles.d electrones and electronical elect
 5
  6
                       Okay. How long did you work for Martin in Denver?
  7
          Q
                       Two years. and a appropriately?
  8
          A
                       What did you do then? We're talking about 1971 or there-
           Q
   9
                        abouts now? to homes.
  10
                        Martin Marietta transferred me to Tucson, Arizona.
            Α
  11
                         What did you do in Tucson?
   12
            Q
                         Continued working for them in a purchasing capacity.
   13
            Α
                         Now, were you doing engineering work on these missiles
    14
             Q
                          while you were in Denver?
    15
                          No, I was not! steel mills, accompative plants.
    16
             Α
                          What kind of work were you doing? " Winter?
     17
                           Production and purchasing.
     18
              A
                            I see. In Tucson, what were you doing once again?
              Q
      19
                            Purchasing for Martin Marietta.
      20
               Α
                             Once again it was with respect to missiles?
      21
               Q
                             Yes, it was. The to waite to to live?
       22
                Α
        23
                Q
                             How long did you stay in Tucson?
                              Two years.
        24
        25
                 Q
                              We're talking about 1973 or thereabouts then?
```

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Yes.
  Α
       I left Martin Marietta and joined Cutler-Hammer Corporation
       What did you do then?
  0
2
  A
3
        in Milwaukee, Wisconsin.
4
        What is the business of Cutler-Hammer?
   Q
        They build electronic and electrical controls and control
5
   Α
6
        systems.
7
        For what kind of apparatus?
   Q
 8
         Total industry apparatus. All the way from automotive
    Α
 9
         steel mills to homes.
10
         Okay. What was the general nature of your duties and
    Q
11
         responsibilities for Cutler-Hammer?
 12
          I was a project manager for large, complex industrial
    A
 13
          systems.
 14
          Like, give me ---
     Q
 15
          Automation of steel mills, automotive plants.
 16
                        How old are you, Mr. Winter?
                 Okay.
  17
     Q
          Forty-seven.
     Α
  18
          Now, prior to the time you graduated from college in
      Q
  19
           1969, you gave me a history of -- of general summer jobs
  20
           and the landscape architect. Did you have any long-term
  21
           employment prior to going to college?
  22
           I went from high school to college.
      Α
   23
      Q
           1969?
   24
                                 He said he graduated from college
   25
                     MR. WELSH:
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in 1969. I you write which Crolutel makes designs to be a specified
                 THE WITNESS: We will be a long of 1 your stay with
1
        I made an error in my speech. It was actually '59.
2
   A
3
        MR. LYNCH:
4
        I figured it was 1959. And so we got to 1973 with a
   Q
5
        scope of two or three years employment and somehow it's
6
        gotten out of wack.
7
         You're correct. Lev located?
    Α
 8
         Can you just recount what you did from the time you got
    Q
         out of college in 1959? that you jointed Nutting Industries?
10
         I worked for Martin Marietta in Denver.
    Α
         And in Tucson? d Nutting Industries, what was the first
 12
    Q
         Then in Tucson. Then I left Martin Marietta, joined
    A
 13
          Cutler-Hammer in Milwaukee.
 14
         When was that that you joined Cutler-Hammer in Milweaukee?
     Q
 15
          I don't recall the date.
 16
          I know. What year? hes. specifically the Id Computer.
  17
          I'm not sure of the date right now. only game being built
  18
          Was it in the 1970's or 1960's or --
     Q
  19
          I believe that was 1969. What were the nature of
  20
           Okay. And so otherwise you've given me a correct summary
  21
           of your work experience and the nature of the duties and
  22
           responsibilities you had with Martin Marietta before that
   23
           time? I canagement of the plant.
   24
           Yes, I have that you leave boutting Industries, ha
   25
```

```
Okay. So you were with Cutler-Hammer dealing with these
                    large scale control systems. How long did you stay with
       Q
1
2
                    them? ... Dutting was -- h-. David Nutting was at --
                    Three years. The common three years.
3
        Α
 4
                    And where did you move then? What was your next job?
         Q
 5
                     I left Martin Marietta (sic) to join a company called
         Α
  6
                     Nutting Industries. The only was recommended to the solution of the only was recommended to the only was recommend
  7
                      And where were they located?
          Q
  8
                      In Milwaukee.
          Α
                      That was in 1972 or '73 that you jointed Nutting Industries?
          Q
  10
                       It would have been prior to that.
  11
          Α
                       When you jointed Nutting Industries, what was the first
           Q
   12
                        position that you held with this company?
   13
                        I was a general manager.
           Α
   14
                        What was the nature of the business of Nutting Industries
            Q
    15
                        when you joined that company?
    16
                         They built arcade games. Specifically the IQ Computer.
     17
                         When you came on board was that the only game being built?
     18
             Q
                          Yes, it was.
     19
                          And you were general manager. What were the nature of
      20
              Q
                          your duties and responsibilities in connection with this
      21
       22
                           game, the IQ Computer?
                           The main thrust was that of production, scheduling and
       23
                            general management of the plant.
       24
                            Now, at the time that you joined Nutting Industries, h_{\text{OW}}
        25
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many employees -- how many employess did the company have?
1
        They had approximately 70 to 80 employees.
        Now, Mr. Nutting was -- Mr. David Nutting was an employee,
2
  Α
        or was associated with the company when you joined Nutting
3
   Q
4
        Industries? and Harold Mastergery.
5
        Yes, he was, the li Consuter to your knowledge!
6
   Α
        And you indicated that the only game being made when you
 7
   Q
         joined the company was the IQ Computer?
 8
         When I joined, yes, it was on there was that item was
 9
    Α
         Now, was there a gentleman named Livingston who was in-
10
    Q
         volved in that -- in Nutting Industries at that time?
 11
         Not that I recall, who westgred the first one then?
 12
    Α
         Do you ever recall a fellow named Livingston?
 13
    Q
          I do not recall that name: free tons of the free free puter
 14
          Now, the IQ Computer, what -- do you remember how that
 15
     Q
          game operated, Mr. Winter?
 16
                                                        It had only
          It was basically an electro-mechanical game.
  17
     Α
          two printed circuit boards, and it also had a projection
  18
           or videotape system.
  19
           Um-hmm.anged the sader n sper is or to Computer to, I
  20
      Q
           hall me i MR. LYNCH: Let me take five minutes right now.
  21
                     (A recess was taken at 10:35 a.m.)
   22
                    (The deposition reconvened at 10:45 a.m.)
   23
                     MR. LYNCH: Okay. and model maner was see
   24
           At the time you joined Nutting Industries, Mr. Winter.
   25
       Q
```

```
how many people were involved in the design of games for
        that company? Reserve of the charter believed the first one a
1
2
        When I joined, two people were doing the design work.
3
   A
        Who was that? He impresents in the enhinetry and in
4
   Q
        Dave Nutting and Harold Montgomery.
5
   Α
        Who designed the IQ Computer to your knowledge?
6
   Q
         It was a dual effort between Dave Nutting and Harold
 7
         Montgomery.d an added feature of a gong or bell, and it
 8
         When you were there, were you there when that item was
 9
    Q
         first designed? the 10 Computer? It was still called the
 10
         I was not there when the original model was designed.
 11
    Α
         So you don't know who designed the first one then?
 12
    Q
          Not the original. he mext change that occurred in commecti
 13
     Α
          Okay. Now, were other modifications of the IQ Computer
 14
     Q
          made thereafter? which was a two-player version of the
 15
  16
          Yes, there were.
     Α
          And did they go by the same name?
  17
     Q
          Yes, they were d Harold Montgomery.
  18
     Α
          What other names did they go by? former IO Computer?
  19
      0
           They changed the model number from IQ Computer to, I
  20
      A
           believe it was 101 to IQ Computer with another model
  21
   22
           numberare concerned?
           Okay. And what was the difference between those t_{W_{O}}
   23
      0
           Were you there when the second model number was first pro-
   24
   25
            duced?
```

```
Yes, I was. There were madings -- its a that
       What was the nature of the change between the first one and
  Α
1
   Q
2
        the second? I desire exect temperation the
3
        There were basic improvements in the cabinetry and in
4
   Α
        the electrical controls.
5
        Do you know the nature of the changes in the electrical
6
   Q
         controls? Ther than are
7
         The game had an added feature of a gong or bell, and it
 8
    Α
         had an improved projecture -- projector.
 9
         This was still the IQ Computer? It was still called the
10
    Q
         IQ Computer though? connection with the circuitiv the
11
         Yes, it was lust enumerated required circuit changes.
 12
    A
         Do you remember the next change that occurred in connection
 13
    Q
         with that device? had 10 Computer design by Nutting
 14
          We made a dual IQ which was a two-player version of the
 15
     Α
          original.
 16
          Do you know who designed that?
  17
     Q
          Dave Nutting and Harold Montgomery. and obtained but I'm
  18
     Α
          Now, how did that differ from the former IQ Computer?
  19
      Q
           It allowed two people to play the same game.
  20
      Α
           And any other changes as far as the electronics of the
  21
      Q
           game were concerned? the this dual 10 Computer, was the
  22
           Other changes were necessitated by the fact that two
   23
      A
           people were playing it so the circuit had to be completely
   24
            redone, t understand your word matrix.
   25
```

```
Were
       Now, what changes were involved -- Strike that.
       there any characteristics of the circuit in the dual IQ
  Q
1
       Computer that didn't exist formerly in the IQ Computer?
        Yes., was there an array of switches that was 5. oned
3
   Α
        And what was that? Anical device in star dust to CATE
4
   Q
        The scoring system had-a be redone to keep score for two
5
   A
6
        players rather than one.
 7
        Um-hmm. re was not.
   Q
         And two sets of controls had to be added.
         How about the internal operation of the device? Were
 10
         there any changes in connection with the circuitry there?
 11
         The items I just enumerated required circuit changes.
    Α
 12
         I see. Do you know if there was ever a patent sought or
 13
    Q
          obtained on this dual IQ Computer design by Nutting
 14
          Industries? Torike that. Did this array of diodes such as
 15
          I do not know, scoring system of the IQ Contater similar
     A
  16
          Have no idea whther it was strike that. Was this array
     Q
  17
          I believe a patent was applied for and obtained but I'm
  18
     Α
          not sure. MR. Whish: I object to the question. I believ
  19
          And do you know in whose name it was -- we was an array
      Q
  20
           I do not know. --
      Α
  21
           Now, in connection with this dual IQ Computer, was there
   22
      Q
           a matrix of various switches in the internal operation
   23
           of that device?
   24
            I do not understand your word matrix.
   25
       A
```

```
You don't -- You don't know what a matrix is?
       I know what a may -- matrix is, but to me it does not apply
  Q
1
  Α
2
       to the IQ computer.
       Well, was there an array of switches that was scanned
3
       sequentially by mechanical device in that dual IQ Computer?
   Q
4
5
       An array of switches that was scanned?
6
   Α
        Yah.
7
   Q
        No, there was not.
        Was there an array of diodes in that device?
 9
   Q
        They did use diodes on the scoring board, as part of the
10
        circuit were used on the photocollib . If and one scottic
 11
        And how were those diodes arranged?
 12
    Q
         I do not specifically know.
 13
    Α
         Was this array of diodes in the dual IQ Computer then the
 14
    Q
         design -- Strike that. Did this array of diodes such as
 15
         existed in the scoring system of the IQ Computer similar
 16
         to the array of diodes -- Strike that. Was this array
  17
         of diodes that existed in the dual IQ Computer --
  18
          MR. WELSH: I object to the question. I believe
  19
         he said that he did not know whether there was an array
  20
  21
          or not. So your --
          MR. LYNCH: This arrangement of diodes.
  22
          MR. WELSH: He said he didn't remember what it
  23
          was. To know if environg was agained for on the dust in
   24
   25
            MR. LYNCH:
```

```
I'm sorry, Mr. Winter, didn't you say there were diodes
       used in the dual IQ Computer? and the IQ Computer which he
  Q
1
       There were diodes used. dual 10 Computer, at this point if
2
        Were diodes of a similar arrangement used in the IQ
3
   A
14
   Q
        Computer, the game that preceded the dual IQ Computer?
5
        I do not know the specific arrangement of the diodes.
6
   Α
        7
   Q
        In either device. W Ty Computer?
 8
        Now, were there diodes used in the scoring system of the
    Q
 9
         IQ Computer at all? common being beilt?
 10
         Diodes were used on the photocell board and the scoring
 11
    A
         board in the IQ Computer.
 12
                Now, when the dual IQ Computer came along, did that
 13
    0
         design involve an arrangement of diodes, drivers or lights
 14
          in a grid or matrix-like pattern? projection system to
 15
          I believe not on a screen which was then sized at by the
 16
     Α
          Now, in connection with your recollection about the
  17
     Q
          seeking of patent protection on the dual IQ Computer.
  18
          were you involved at all in that? her that was introducers
  19
          I did not state that it was on the dual IQ Computer.
  20
          Oh.v. What's the next game that you can recall bring
  21
      Q
           I was under the impression that a patent was applied for
   22
           on the original IQ Computer, produced was the Rad Paron
   23
           Do you know if anything was applied for on the dual _{
m IQ}
   24
      Q
   25
           Computer?
```

```
I do not know. and by Karting today to 100 and you said the
        So after the IQ Computer 101 and the IQ Computer which had
  Α
1
        another number and the dual IQ Computer, at this point in
   Q
2
        time, at the time the dual IQ Computer was introduced by
3
4
        Nutting Industries, were those the only products with
5
        which you had experience at Nutting Industries; that is,
6
        the IQ Computer 101 and the IQ Computer with the other
 7
        number, and the dual IQ Computer?
 8
         Nutting also built a game called Red Baron.
    Α
         Now, when did that commence being built?
    Q
10
         I do not recall the year.
    Α
 11
         Was it after you came to --
 12
    Q
         Yes.drd you become employed with next?
    Α
 13
         It was. What kind of game was Red Baron? The tour months.
    Q
 14
          It was an arcade game which used a projection system to
 15
          make an image on a screen which was then fired at by the
 16
          operator of the game. Basically, electric-mechanical
  17
          type game.
  18
          Um-hmm. Now, you don't remember when that was introduced?
  19
     Q
          No. I don't.
     A
  20
          Okay. What's the next game that you can recall being
  21
      Q
           introduced at Nutting Industries?
  22
           I believe the last game they produced was the Red Baron.
   23
   24
      Q
           The last game they produced?
           Yes. is correct.
   25
```

```
You were employed by Nutting Industries and you said that
       the last game they produced was the dual IQ Computer or
  Q
1
       Red Baron? The trichts of any of the squares
2
3
       Red Baron. Prior - Presidently by Nisting I has been
4
   Α
        And at the time they were producing Red Baron, were they
5
   Q
        producing the dual IQ Computer?
6
        I believe both were being produced simultaneously.
-7
   Α
        What happened to Nutting Industries then?
 8
   Q
        It went into receivership.
   Α
        What was your position with Nutting Industries when it
10
    Q
        went into receivership? ng and selling IO Computer games.
11
         I left. v service these comes?
 12
    Α
         Who did you become employed with next?
 13
    Q
         I did not become employed for about three or four months.
 14
         And my next job was with MCI.
 15
         Okay. When did Nutting Industries go into receivership?
 16
     0
          I for some reason cannot remember the date.
  17
          The year. that it went into receivership?
  18
     0
                                   It was -- I believe it was very
          I cannot remember that.
  19
     Α
          early in 73. as your position with MII at the time that
  20
          Okay. When did you commence your employment with MCI?
  21
      Q
  22
          About spring of '73.
      A
          And there was a three or four month hiatus where you were
  23
      Q
   24
           not employed by either of these companies?
           That is correct. the same company?
   25
      Α
```

```
What was the nature of the business of MCI?
       MCI was formed to develop, build and sell arcade games.
  Q
       Did MCI accrue to the rights of any of these games that had
  Α
2
  Q
3
       been sold prior -- previously by Nutting Industries?
                             Could I have the question, please?
4
                 MR. WELSH:
5
                             Let me save you the problem.
                 MR. LYNCH:
6
        Did MCI make either the IQ Computer, the dual IQ Computer,
7
   Q
        or the Red Baron?
8
        They made the Red Baron.
   Α
        How about either of those IQ Computer games?
   Q
10
         I don't recall ever making and selling IQ Computer games.
    Α
11
         Did they service those games?
 12
    Q
         Yes, they did.
    Α
 13
         So they serviced the games that Nutting Industries had
 14
    Q
         previously put out in the field?
 15
         Yes, they did.
     Α
 16
         Now, what was your position with Nutting Industries at
 17
          the time that it went into receivership?
 18
          General manager.
     Α
  19
               What was your position with MCI at the time that
  20
     Q
  21
          that company was begun?
          Executive vice president.
  22
           Okay. Are MCI and Milwaukee Coin the same company?
  23
      Q
           MCI is also known as Milwaukee Coin Industries.
   24
   25
      Q
                 So that's the same company?
```

```
Is there a Milwaukee Coin that wasn't MCI? I'm not trying
       Yes, it is.
  Α
2
  Q
       to be obscure.
       To make that clear, there is another company in Wisconsin
3
        called Milwaukee Coin, and we had to name our company MCI
4
   A
5
        as a result. We did become known in the industry as
6
        Milwaukee Coin Industry.
7
        I see.
 8
   Q
        We were not in fact Milwaukee Coin Industry; we were MCI.
 9
         Did this Milwaukee Coin Industry, did it ever have anything
10
    Q
         to do with Mr. Nutting?
         The company -- Are you referring to the company that was
 12
    Α
         in existence before MCI was?
 13
         Yes. F and the a bear gar for. A called chances.
 14
    0
         Yes -- No, it did not have anything to do with Mr. Nutting.
 15
         Did it have anything to do with arcade games?
 16
     Q
          I don't know the nature of their business.
  17
          Oh, so you don't really know anything about that company;
  18
     Q
          is that -- you a live py verious
  19
          It was just an existing company on the statutes in
  20
      Α
          Wisconsin. Thoring at same was on the film projections
  21
           So let's get -- You were executive vice president of MCI
  22
      Q
           at the time that MCI was -- MCI's business was commenced
   23
           some time, you think, in the spring of 1973; correct?
   24
   25
           I believe that's correct.
       A
```

```
Okay. What were the nature of your duties and responsi-
       bilities as executive vice president?
  Q
1
       I was the basic business manager of the firm. And, again,
2
3
  Α
       production and overall control were my main objectives.
4
        Okay. And at the time that the business began, MCI began
5
   Q
        its business, it was manufacturing the Red Baron game?
6
        Yes, it did. About when are we talking about when fly tok
7
   Α
        And it was servicing the IQ Computer games?
 8
   Q
        Yes, it was in the spring to meet the spring market.
 9
    A
         What was the next game that it commenced to manufacture?
10
    Q
         The Blue Max.
 11
    Α
         What kind of game was that? Ites, Because it was a spring
 12
    Q
         It was basically the same game as the Red Baron, except
 13
    Α
         repackaged in a blue cabinet. No circuit changes.
 14
         Okay. What was the next game after the Blue Max?
 15
     Q
          I believe it was the Desert Fox.
  16
     Α
          Was that a target game, also? e incontino data.
  17
     Q
          Yes, it was "I'l was incorporated. To ver kn w if it was
  18
     A
          Did it involved a film projection?
  19
     Q
  20
          Yes, it did.
      A
           Involved shooting at what was on the film projection?
  21
      Q
   22
      Α
           Yes, it did.
           Basically have the same theory of operation as Blue M_{\mbox{\scriptsize ax}}
   23
      0
           and Red Baron? 'edge? So those records would be aver-
   24
   25
       Α
           Yes, it did.
```

```
What was the next one after that?
       I believe it was the Flying Ace, which was a large arcade
 Q
1
2
       version of the Red Baron.
3
       Again, a target game?
       Target game. Again, the same basic modus of -- of operation.
  Q
4
  Α
5
       After Flying Ace, what was the next game after that?
   Q
6
        Strike that. About when are we talking about when Flying
7
        Ace first started coming out, Mr. Winter?
. 8
        It was done in the spring to meet the spring market,
9
   Α
        arcade market. In a game where a stream of wir was used to
 10
        Spring of 174? through various course of targets around --
 11
        No, I could be wrong on my dates. Because it was a spring
 12
         game, it could be spring of 173.call any other sames?
 13
         And then that would -- Wouldn't that have meant that the
 14
    Q
         that MCI was in existence in 1972 then?
 15
         At this point I would say, yes, it was in existence in '72
  16
    A
         I think I'm off one year on the inception date. of Winner
  17
         All right. MCI was incorporated. Do you know if it was
  18
     Q
          incorporated in the State of Wisconsin?
  19
     Α
          Yes, it was. any game, to Computer grows -- Up through
  20
     Α
          And at the time it was incorporated, that was the time it
  21
     Q
          was started -- and Fol undertake to man if course any
   22
   23
          Yes. printer type games?
                                 So those records would be avail.
   24
           -- to your knowledge?
   25
           able?
                        Alon runes were this ! bear were these
```

```
Do you know where -- You don't happen to have any?
       There are records.
1
  Α
2
  Q
        I haven't seen anything --
3
        I haven't any records with me here.
4
   Α
        Okay.
5
   Q
        Nail that down.
6
   Α
        All right. Let's talk about after Flying Ace. What was
 7
   Q
         the next game you recall made by MCI?
 8
         I believe it was the Air Ball.
 9
    A
         And that's again a game where a stream of air was used to
 10
         propel a ball through various course of targets around --
 11
         Yes, it was.
 12
    Α
          Okay. After Air Ball, do you recall any other games?
 13
     Q
          May I ask you this? Do you recall a game called Winner?
 14
          I believe I recall it as being a version of the IQ Computer.
  15
     A
          When did -- did MCI make Winner?
  16
          I do not recall marketing any game by the name of Winner.
  17
          How about a game called Puzzler?
  18
      0
           We did make a small run of games called Puzzler.
  19
      A
           Did you make any game, IQ Computer games -- Up through the
  20
      Q
           time you were manufacturing this game you indicated which
   21
           was the Air Ball, did MCI undertake to manufacture any
   22
   23
            IQ Computer type games?
            I believe we did.
   25
                        Which games were they? What were their
       Q
```

```
designation?
1
       I do not recall their names at this point.
2
  A
       Do you recall how they operated? Strike that.
       recall if there were any differences between those games
3
  Q
        and the IQ Computer of the design that had been used for
5
        Nutting Industries?
6
        All versions of the IQ Compter subsequent to the original
7
   Α
        change were with regard to the cabinetry or cosmetics.
 8
        Most of the models had minor electrical improvements or
 9
         additions, and improvements in the projection system.
10
         How about the Puzzler? Do you know if the Puzzler game
 11
    0
         had a matrix in it? o this mother board idea, did you have
 12
         I believe the Puzzler game did have a matrix in it.
 13
    Α
         What was the nature of the matrix? ler and the time in
 14
    0
         As I recall it was a large printed circuit board with
 15
          several hundred diodes.
  16
          And to your recollection was that the first game that
  17
     Q
          had such a matrix printed circuit board? - Strike that
  18
          I'm not sure he developed this idea of a matrix in the
  19
     A
          Was it also called the mother board?
  20
      Q
           The large board I'm referring to would have also been
  21
           called the mother board. It design was made?
   22
   23
      0
           In that particular device?
           Yes. in present white the design was being made.
   24
           Now, this Puzzler game, was this sold during the year
   25
       Q
```

```
I do not recall the actual marketing of the Puzzler game.
        1973 by MCI?
1
   Α
2
        Was it before 1974?
   Q
3
        I'm sorry. I can't recall.
        Before 1975?
   Q
5
        It would definitely be before '74 or '75.
6
   Α
         Okay.
 7
   Q
         Before '74.
 8
                I understand. You know, just if I get a big
 9
    Q
         bracket at least I have a bracket. Before last week, we
10
                               Now we've got it before 1974.
         can start with that.
         Now, with respect to this mother board idea, did you have
 12
          any discussions with -- Strike that. You were in charge
 13
          of production at the time the Puzzler and the time in
 14
          which the mother board matrix was being produced; isn't
 15
          that correct?
  16
          My duties at MCI were production oriented.
  17
          Now, did you ever have any discussions -- Strike that.
  18
     0
           Do you know who developed this idea of a matrix in the
  19
           Puzzler game?
  20
   21
      Α
           I am not sure.
           Were you on hand when that design was made?
   22
      0
   23
           Yes, I was.
            I mean present while the design was being made.
       Q
   25
            I was an employee of the company, yes.
```

```
I understand you were an employee of the company, but were
       you typically at the time that design was made dealing
  Q
1
2
       with the designers on a day-to-day basis about their
                             -- advise the timess to need t
3
        design?
4
        I don't believe I was.
5
   Α
        Okay. At this time, the time that the Puzzler matrix was
6
   Q
        generated, were Mr. Montgomery and Mr. Nutting basically
 7
        doing the design for MCI?
 8
        No, Mr. Montgomery was not an employee of MCI at the time.
 9
    Α
         Who was doing the design at that time?
 10
    Q
         Our electrical design work was done by Duane Knuetson,
 11
    Α
         Roger Budnick -- Nacting has made in this lawsuit?
 12
         B-u-d-n-i-c-k? WFISH: bare objection. Advise the witness
 13
    Q
         Yes. Dave Nutting, and a consulting engineer by the name
 14
     Α
          of Robert Mauger. Way are you advising the witness
 15
         Robert Mauger, M-a-u-g-e-r?
  16
     Q
                    MR. WELSH: Because they're privileged . To me
  17
     Α
          Yes.
          Is he living in the Milwaukee area?
  18
     0
          I don't know. LYNCH: It's a privileged +-
  19
     A
          Was he at that time? Mr. Frederiksen and rr. Nutribe's
  20
      Q
          Yes, he was this laws it prior to this date was discrete
  21
      A
   22
           When was the last time you saw Mr. Mauger?
      Q
           I think about three years ago. to the question and and
   23
   24
      Q
           Was he living in Milwaukee at that time?
   25
      A
           Yes.
```

same grounds -- that it was discursed with MR. LYNCH: 2 Do you --MR. WELSH: -- advise the witness he need not Q 3 4 answer. 5 MR. LYNCH: 6 Do you refuse to answer that, Mr. Winter? 7 Q I do. Α You won't tell me about what they told you what Jeff 9 Q Frederiksen said in this lawsuit. How about David 10 Nutting? Did they discuss with you any testimony or 11 allegations Mr. Nutting has made in this lawsuit? 12 MR. WELSH: Same objection. Advise the witness 13 not to answer. The partitly and in the past to accomplish 14 MR. LYNCH: Why are you advising the witness 15 not to answer? The Sale pure electronic system on une 16 MR. WELSH: Because they're privileged communi-17 cations, counsel; it's an improper question. 18 MR. LYNCH: It's a privileged --19 It is true that then Mr. Frederiksen and Mr. Nutting's Q 20 testimony in this lawsuit prior to this date was discussed 21 with you; is that correct? design? Did he tell your 22 I object to the question and advise23 MR. WELSH: the witness he need not answer. To find the framulation 24 MR. LYNCH: I invite you loc the willess areas... 25

1

```
Is that correct, that it was discussed with you, Mr.
1
  Q
                THE LENGTH THE BUSINESS THE PROCESS
       Winter?
2
       No reply.
3
  Α
       All right. Mr. Winter, tell me precisely how Mr.
4
  0
       Frederiksen designed the Safe game in 1973?
5
        Precisely how? it. He designed the total morter had
6
   Α
        Um-hmm. ale system for the Safe game,
. 7
   0
        I cannot. MR. LYMCH:
 8
        Didn't you have discussions with him about the design
 9
    Q
         of the Safe game? apillon than had the capability, is that
 10
         Yes, I did.
 11
    Α
         What was the concept for how to design the Safe game?
 12
    Q
         He used a totally electronic approach, i.e., we did not
 13
         use relays as we normally had in the past to accomplish
 14
          functions of scoring, light initiation. He built the
 15
          board, he built the Safe game electronic system on one
  16
          large mother board --
  17
          Okay. he mather hoard for some if the price devices old
  18
     Q
         --which was against my own beliefs as a technique.
  19
           Okay. of the earlier games old
  20
      Q
           He completed the game along his design.
  21
      A
           How do you know it was his design? Did he tell you?
   22
      Q
           placing h MR. WELSH: Counsel, you interrupted him again.
   23
           concept, MR. LYNCH: "I'm trying to find the foundation.
   24
            olading 1 MR. WELSH: I insist you let the witness answer
   25
```

the question. MR. LYNCH: I'm sorry, Mr. Winter. internati THE WITNESS: on those per legar concerns of that Jeff Frederiksen was the only man in our organization 4 Α that could do electronic design in total, or had the 5 capacity to do it. He designed the total mother board 6 electronic system for the Safe game. 7 MR. LYNCH: subject. 8 Is the case you're assuming he did it because he was the 9 only one in your opinion that had the capability; is that 10 correct? MR. LYMCH: I sa not deposing the Mr. Me'sh. 11 That's correct, what it was. Do you want it read back? 12 Α And he designed this mother board for the Safe. Now, did 13 Q the mother board for the Safe have a matrix quality or 14 arrangement to it? my conversations with Mr. Freder issen 15 The mother board did not have in my mind a matrix quality 16 Α to it. 17 But the mother board for some of the other devices did 18 Q at that time; isn't that correct; that is, the Puzzler? 19 Some of the earlier games did. The right new, and stated + 20 And this -- Strike that. Okay. And so then with respect 21 Q to the work that Mr. Frederiksen began doing, you are placing his work on this total electronic concept --23 concept, which he embarked on after the Safe, you're 24 placing it in time by virtue of the fact that you $kn_{\mbox{ew}}$ 25

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I do. I ma tow I should not and trace a good I say
   Α
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               And you refuse to answer questions about any
        information you got from these gentlemen concerning that
   Q
2
3
        array of incandescent lamps or any discussions that
4
        preceded this deposition with respect to this array of
5
        incandescent lamps; is that correct?
6
         I am accepting counsel's advise with regard to that
 7
    A
         subject.
 8
         MR. WELSH: That is, conversations between him
         and me. Notting in the Lock year? Sorike that, please.
 10
                               I am not deposing you, Mr. Welsh.
                   MR. LYNCH:
 11
         The question is what it was. Do you want it read back?
 12
                               No.
                   MR. WELSH:
 13
                               Is that an expression of preference
                   MR. LYNCH:
  14
          Now, have you had any conversations with Mr. Frederiksen
  15
     Q
          prior to this deposition within the last year?
  16
                    MR. LYNCH: Let me go a little bit tarther.
  17
          Yes.
     Α
          Okay. I want you to tell me about that conversation.
  18
     Q
           I called Jeff after I had received a call from a lawyer
  19
      Α
           in Appleton whose name escapes me right now, and stated that
   20
           I had been contacted by a man who was representing Williams.
   21
   22
           That's Mr. Rifkin?
      Q
           Yes, it was a several -- You asked if I had raised by I
   23
      A
           Okay Nutsing will in the last year?
   24
       Q
           And Jeff said, oh, they have contacted you. Jeff started
    25
       A
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to tell me how I should act and behave, and I said,
       Jeff, I'll handle myself. I just wanted you to know that
1
2
        I had been contacted.
        Specifically, what did he tell you about how to act and
3
   Q
4
        behave? What was he suggesting?
5
        He suggested that I not talk to Mr. Rifkin.
   Α
6
        And eventually you did not talk to Mr. Rifkin?
 7
   0
        That is true.
    Α
 8
        How about Mr. Nutting? Did you have any conversations
 9
         with Mr. Nutting in the last year? Strike that, please.
 10
         Dave Num MR. LYNCH: Do you gentlemen have any preference
 11
         as to when to break?
         who was - MR. WELSH: Fine.
 13
         and we ta MR. LYNCH: Is that an expression of preference?
 14
         might be MR. WELSH: I assume any time. We certainly
  15
          want lunch.
  16
          MR. LYNCH: Let me go a little bit further.
  17
          Let me just -- let me get through this part and we'll
  18
          break.
  19
          Was that the only conversation you had with Mr. Frederiksen?
  20
  21
           Yes, it was.
           How about Mr. Nutting?
      Q
           I have talked several -- You asked if I had talked with
   23
   24
           Mr. Nutting within the last year?
       Q
   25
           Um-hmm.
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I have talked to Mr. Nutting probably several times within
       the last year, and only once with reference to the subject
  A
2
       we're now into.
3
       That's this lawsuit?
4
  Q
       Yes. The break now. Can we resize as la
  Α
5
       And what occurred at MCI back in the 1970 -- early 1970's?
6
   Q
       We didn't even get that detailed.
7
   Α
        Tell me about that conversation with Mr. Nutting?
8
   Q
        caused it to occur?
 9
        After I had talked with Jeff, I really asked to talk to
   A
10
        Dave Nutting and Dave called me back. I basically told
11
        him the same thing, that I had been called by Mr. Rifkin
 12
        who was representing Williams, and he kind of laughed,
 13
        and we talked just in generalities about the fact that I
 14
         might be called to -- for a deposition with regards to the
 15
 16
         What did -- Did he tell you anything about the case at
 17
    Q
         that time?
  18
                 the and versioned that is a trial bit.
  19
     Α
         So is -- this is only one coversation you had with Mr.
  20
     Q
         Nutting concerning the subject matter of this litigation?
  21
          That's correct.
  22
     Α
          You haven't talked to either him or Mr. Frederiksen con-
   23
          cerning the matters that have been heretofore involved in
   24
   25
          this deposition -- " , and the key water
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That is correct. If it we didn't cut off being -- the two occasions testified about? The you're tracent A Q 2 A 3 4 5 any way y MR. WELSH: We'll try to get back. 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 to cross-examination, and that we understood we did $h_{ ext{ave}}$ 25

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That is correct. cross-exationing. Venire the lawyers f MR. LYNCH: All right. We might as well take a luncheon break now. Can we resume at 1:15? a have it (A recess was taken at 12 o'clock noon. (The deposition reconvened at 1:20 p.m.) Gentlemen, we might as well get some things straight here. Do it the way you want to do it. First of all, we're going to have to move before Judge Grady -- I'm going to move before Judge Grady that if any of this witness' testimony is intended to be introduced at trial by Bally or on behalf of Bally, that the various conversations he's had with Bally counsel will be inquired You can -- We can do this on any schedule you want. I can go through this today and bring Mr. Winter back on another occasion, or we can go down and talk to the Judge Furthermore, I understand that you told Mr. Rifkin that you've got a considerable amount of examination of Mr Winter so we might be here another day. Judge save no I'll fini MR. SCHNAYER: I said merely we had examination I want to make sure we had the right to cross-examination. I didn't say how much we had. I said I wanted the right

that right, and that we didn't cut off before --

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Rnow that MR. LYNCH: at I want to know who you're represent ing when you say cross-examining. You're the lawyers for this gentleman. II don't think you can cross-examine him under those circumstances. But -- But we can have it any way you want to have it. our aspects of his t

MR. WELSH: Well, you know our position so what whatever you feel you have to do. Thing to use my of the

MR. LYNCH: I'd just as soon Mr. Winter let me I'll come back. I think I would rather come back and finish the deposition all at one shot rather than have to go back, because I am going to correlate an awful lot of his testimony. I mean, to -- to -- to what you told him, and I -- I just think it's going to be redundant. I think I've got enough of a record right now. I can ask Miss Hackbarth to -- to go through this. you know, to provide us with this transcript, and I think it provides a sufficient amount of information. I -really, Mr. Winter, I have no desire at all to -- to inconvenience you, but the thing I'm saying, if we come back then I can finish it then. If the Judge says no, I'll finish without that kind of testimony. I'll finish him up at a later time, since it's more convenient. since I believe there is a significant opportunity that the Judge is going to let me inquire into these areas.

By the way, as far as your right to cross-examine, you know that will come at the end. I'm not trying to deprive you of that at the time we come back for this, so suit yourself. I just think it will be shorter for Mr. Winter if we do it this way. Because I'm going to want to correlate all of the various aspects of his testimony to what -- what discussions he's had with Bally's counsel.

MR. WELSH: Are you planning to use any of the testimony thus far in the patent office before you complete the deposition?

MR. LYNCH: How do I know? I don't know. I really have no idea. I mean, but I -- I do feel it is important at this time to -- to just let you know that I mean I might use it. I don't know what I'll use. I -- I -- You mean am I cutting it off now so you don't have the right --

MR. WELSH: Um-hmm.

MR. LYNCH: You're his lawyer. You can get Mr. Winter's affidavit if I did that. No big problem. Doesn't represent, you know, a big problem. As far as I can see.

MR. GOLDENBERG: John, there is another reason and that these --

MR. LYNCH: And then there is the documents, too. I mean, let's talk -- Are you still adhering to

STATE OF WISCONSIN SS. COUNTY OF MILWAUKEE KATHLEEN M. HACKBARTH , a Notary Public I. in and for the State of Wisconsin, do hereby certify that the foregoing deposition was taken before me at 825 North Jefferson , in the City of Milwaukee , County of Milwaukee, , 19**80** . State of Wisconsin, on the 17th day of June o'clock a.m.; that it was taken at commencing at 9:30 Defendants, the instance of the 9 upon verbal interrogatories; that it was taken in shorthand 10 by me, a competent court reporter and disinterested person, 11 approved by all parties in interest, and thereafter reduced to 12 typewriting under my direction; that said deposition is a true 13 record of the deponent's testimony; and that said typewritten 14 transcript is to be used in the above-entitled action now 15 pending in United States District Court, Northern District 16 of Illinois, Eastern Division that the appearances were as shown on Page 1 and 2 ; that 17 the deposition was taken pursuant to Notice and Agreement 18 DANIEL N. WINTER that the said . before 19 examination, was sworn by me to testify the truth, the whole 20 truth and nothing but the truth relative to said cause. 21 Dated this 17th day of June KATHLEEN M HACKBARTH ATE OF WE

ssion expires August 10, 1980.

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IN THE UNITED STATES DISTRICT COURT FOR THE NOTTHERN DISTRICT OF INDICES EASTFAN DIVISION BALLY MANUFACTURING CORPORATION, Plaintiff, Case No. 78-C-
EASTFAN DIVISION BALLY MANUFACTURING CORPORATION, Plaintiff, Case No. 78-C-
EASTFIN DIVISION BALLY MINUFACTURING CURPOPATION, Plaintiff, Case No. 78-C-
BALLY MANUFACTURING CURPOPATION, Plaintiff, Case No. 78-C-
BALLY MANUFACTURING CURPOPACION, Plaintiff, Case No. 78-C-
Plaintiff, Case No. 78-C-
Plaintiff, Case No. 78-C-
6 Case No. 78-C-
D. GOTTLIEB & CO., WILLIAMS ELECTRONICS, INC., and ROCKWELL
9 INTERNATIONAL,
Defendants.
n
12
CONFIDENTIAL SUBJECT TO PROTECTIVE ORDER
14
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IN THE UNITED STATES DISTRICT COULT FOR THE NORTHERN DISTRICT OF ILLINOIS

EASTERN DIVISION

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BALLY MANUFACTURING CORPORATION,

Plaintiff,

D. GOTTLIEB & CO., WILLIAMS

ELECTRONICS, INC., and ROCKWELL

INTERNATIONAL,

-vs-

Defendants.

Case No. 78-C-221

SPECIAL CONFIDENTIAL SUBJECT TO PROTECTIVE ORDER

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